

P.O. Box 1041 Chesterfield, MO 63006-1041

May 21, 2020

Montana Department of Environmental Quality (DEQ) 1225 Cedar Street Helena, MT 59601

Attn: Mr. Dan Norris Email: <u>dnorris@mt.gov</u>

Dear Mr. Norris:

Huttig Building Products, Inc. (the "Company")) has been working closely with DEQ on the cleanup at the Missoula White Pine Sash site ("MWPS") for nearly 30 years. We appreciate your time to discuss the impact the COVID-19 pandemic has had on Huttig Building Products which has led to our intent to temporarily postpone the remediation efforts scheduled at MWPS for the next few months, subject to changes in the operating environment, which remains very fluid because of the pandemic.

In March 2020, the World Health Organization declared the novel coronavirus disease ("COVID-19") a global pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains, created significant volatility and disruption in financial markets and increased unemployment levels. The pandemic has resulted in a number of closures of many businesses and the institution of social distancing and sheltering in place requirements for many states and communities, including those major markets in which the Company is located or doing business. Our business operations, as well as the business operations of our vendors and customers, have been disrupted. Our sales representatives have been unable to travel since the pandemic started in mid-March. Some of our facilities have temporarily closed as a result of COVID-19.

In response to these unprecedented times, we have taken aggressive actions to manage cost to ensure that, among other things, the Company meets its financial and banking obligations. The Company has taken aggressive actions to reduce its cost structure and defer all non-essential spend. For example, we have instituted layoffs, pay cuts for employees (including 20% pay reductions for senior management employees and the members of the Board), deferred operating and capital costs, and substantially eliminated travel expenditures. We have also been working collaboratively

with our customers, suppliers, and third party service providers to manage costs, working capital and liquidity and this is the reason we initiated discussions with DEQ.

We have discussed the status of the site with our consultants, and they advise us that there are no known conditions at the site that present an imminent threat to human health or the environment. The groundwater plume is stable or shrinking. Nobody is using groundwater for any purpose within, or near, the plume. The impacted soil is within a fenced area or under pavement. For these reasons, a temporary postponement of the remaining work will not cause current site conditions to worsen or negatively impact local residences or businesses.

We have also asked our consultants if there is any aspect of the remaining work that could be prudently completed at minimal cost. They have advised us that it would not be prudent to construct the land treatment unit until it will be used, due to concerns about damage from weathering or vandalism. Further, there are concerns about the health and well-being of site workers. Therefore, Huttig requests to postpone the remediation activities at the site until such time as our business returns to normal operation and the safety of site workers can be further secured.

We are committed to conducting the second semi-annual groundwater sampling event scheduled for 2020.

We look forward to when this pandemic is over and life returns to normal. We hope you all remain healthy and safe during these difficult times.

Sincerely,

Philip Keipp

Vice-President, Chief Financial Officer